

City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

CHAPTER 1983-23

No. 371 **AN ORDINANCE** IN AMENDMENT OF AND IN ADDITION TO CHAPTER 21 OF THE CODE OF ORDINANCES OF THE CITY OF PROVIDENCE ENTITLED "TAX STABILIZATION FOR INDUSTRIAL PROPERTY"

Approved May 3, 1983

Be it ordained by the City of Providence:

SECTION 1. Chapter 21 of the Code of Ordinances of the City of Providence is hereby amended by adding thereto the following new Article VIII, entitled "Tax Stabilization for Industrial Property."

SECTION 21-160. Declaration of Policy. The City Council has the authority, pursuant to Section 44-3-9 of the General Laws of the State of Rhode Island, as amended, to exempt property used for industrial purposes from the payment of property tax if the granting of an exemption will:

1. Cause an industrial concern to locate in the City, or
2. Cause an industrial concern to replace, reconstruct, expand, or remodel existing buildings and facilities, and thereby increase the tax base in the City, or
3. Cause an industrial concern to construct new buildings or facilities and thereby increase employment opportunities in the City.

The City Council finds that it is in the interest of the residents of the City of Providence to adopt a plan for the granting of such exemptions.

SECTION 21-161. Eligible Property. The provisions of this Article shall apply to industrial property which is defined to mean buildings, structures, and other improvements thereto, the primary purpose and use of which is the manufacture of goods and materials. "Industrial Property" shall include facilities related to a manufacturing operation including but not limited to office, engineering, research and development, warehousing or parts distribution facilities, but shall not include land.

21-162. Procedure.

(a) No person shall be entitled to any exemption herein authorized without first filing an application for a tax stabilization with the office of the City Assessor. The application shall include the program of building, alterations and/or improvements to be made and, in the case of a new facility, must contain a statement by the applicant of how the facility will increase employment in the City. No application shall be considered unless: (i) the application is filed prior to the issuance of a building permit with respect to the property, and (ii) the estimated cost of new construction exceeds 20 percent

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(20%) of the assessed value of the industrial property or One Hundred Thousand Dollars (\$100,000) whichever is less. The City Assessor shall promptly forward a copy of any application to the Building Inspector and notify the City Collector of the pendency of the exemption application.

(b) The Building Inspector shall review the application to determine whether any violations of the provisions of the building code of the City Ordinances exist with respect to the property of the applicant, and any other property in the City owned by the applicant. If no violations exist, he shall certify that fact to the City Assessor within thirty (30) days. If violations do exist, he shall forward a statement stating the nature and extent of the violations. No exemption granted hereunder shall be effective unless and until any and all such violations have been cured.

(c) The City Collector shall review the City tax records to determine whether all taxes (together with interest and penalties) which are due and owing to the City with respect to the property to which the exemption applies, and all other property in the City owned by the applicant, have been paid. If no deficiency exists the City Collector shall certify that fact to the City Assessor within thirty (30) days. If a deficiency or deficiencies do exist the City Collector should forward a statement of the amounts due and the properties involved. No exemption granted hereunder shall be effective unless and until any and all taxes together with interest and penalties remaining unpaid and due and owing to the City assessed on any such property and/or previous improvements upon any such property have been paid in full to the City.

(d) Within thirty (30) days following the receipt of the statements from the Building Inspector and the City Collector, the City Assessor will review the application and, if the Building Inspector and the City Collector have certified that no violations or deficiencies exist, or that any violations or deficiencies which did exist have been cured, he will forward the application to the City Council together with his comments and recommendations for action by the City Council.

21-163. Exemption. Upon receipt from the City Assessor of an application for abatement under this Title, the City Council may grant the exemption provided for herein or any such lesser exemption as the City Council may in its complete discretion deem beneficial, upon its finding that the granting of such exemption will benefit the City for any of the reasons set forth in Section 21-160 above. All industrial property which is exempt hereunder shall be assessed as follows:

A. For the first year in which the industrial property is subject to abatement hereunder, the abatement shall be to the extent of Fifty percent (50%) of the assessed valuation of the property attributable to new construction.

B. In subsequent years the abatement shall be to the extent of the percentages set forth in the following schedule:

<u>Year</u>	<u>Percentage Abated</u>
2	45%
3	40%
4	35%
5	30%
6	25%
7	20%
8	15%
9	10%
10	5%
11	0

The City Assessor shall determine the increase in the assessed valuation of the industrial property attributable to new construction based upon the estimated assessed value of the industrial property assuming new construction is completed according to the plans and specifications submitted in the application for tax stabilization filed hereunder and the increase in the assessed valuation as so determined shall be used in all subsequent years notwithstanding any subsequent revaluation of such industrial property.

21-164. Forms and Administration. The City Assessor shall develop such forms and procedures as he or she deems necessary or proper for any application for exemption.

21-165. Limited Scope. This Article shall not limit or otherwise preclude the City Council from exempting or stabilizing taxes on properties used for manufacturing or commercial purposes which would otherwise be permitted by Section 44-3-9 of the General Laws of the State of Rhode Island, as amended.

21-166. Limitation. The City Council shall not grant any abatement to any industrial concern which is relocating from one city or town within the state to the City of Providence.

21-167. Transfers of Exempt Property. If property for which an exemption has been granted is transferred during the exemption period, the exemption shall run with the property and benefit the transferee so long as the property continues to be used for industrial purposes and the transferee could otherwise qualify for an exemption if the transferee had filed the original application.

21-168. Revocation. The City Council may terminate an exemption granted hereunder prior to the expiration thereof in the event of fraud or misrepresentation by an applicant regarding any statements or representations contained in the application filed hereunder.

Section 2. This ordinance shall take effect upon its passage and shall continue in effect, unless otherwise amended or repealed, with respect to applications filed on or before December 31, 1987.

IN CITY COUNCIL
APR 21 1983
FIRST READING
READ AND PASSED

Rose M. Mendonca CLERK

IN CITY COUNCIL

MAY 2 1983
FINAL READING
READ AND PASSED

[Signature]
PRESIDENT
[Signature]
CLERK

APPROVED
MAY 3 1983
James H. Caspell
MAYOR

IN CITY COUNCIL

MAR 3 1983
FIRST READING

REFERRED TO COMMITTEE ON FINANCE

Rose M. Mendonca CLERK

THE COMMITTEE ON
FINANCE

Recommends Be Continued

Rose M. Mendonca
Clerk

March 16, 1983
March 28, 1983
April 4, 1983

THE COMMITTEE ON
FINANCE

Approves Passage of
The Within Ordinance

Rose M. Mendonca
Clerk Chairman
April 18, 1983

Councilman Farmer and Councilwoman Bussell (By Request)

Jerome I. Baron
~~XXXXXXXXXXXXXXXXXX~~
DIRECTOR OF FINANCE



VINCENT A. CIANCI, JR.
MAYOR

FINANCE DIRECTOR
CITY HALL, PROVIDENCE, RHODE ISLAND 02903

March 15, 1983

Mrs. Carolyn Brassil, Chairperson
City Council Finance Committee
City Hall - City Clerk's Office
Providence, Rhode Island

Dear Mrs. Brassil:

I am writing in respect of the "Tax Stabilization for Industrial Property" ordinance.

It is impossible to provide a fiscal note without specific proposals.

The City Assessor is willing to work with the Finance Committee to develop an appropriate application. I would then be able to provide the appropriate information on an individual basis.

Very truly yours,

A handwritten signature in cursive script that reads "Frank Romanelli".

Frank Romanelli
Budget Analyst

FR:tb

City of Providence



Rhode Island

Department of City Clerk

MEMORANDUM

DATE: March 16, 1983

TO: City Assessor, Theodore C. Littler

SUBJECT: TAX STABILIZATION FOR INDUSTRIAL PROPERTY

CONSIDERED BY: Councilwoman Carolyn F. Brassil, Chairwoman/Committee on Finance

DISPOSITION:

A meeting of the Committee on Finance is scheduled to be held Monday, March 28, 1983 at 3:30 o'clock P.M. (EST) in Committee Room "A", City Clerk's Department, City Hall, at which time they will review the subject Ordinance.

The Committee requests you submit to the members, a proposed application to be submitted for firms requesting tax stabilization. They further request your opinion as to the amount to be charged for application fees.

Attached is a copy of the proposed Ordinance pending.

City Clerk

CHARLES R. MANSOLILLO
CHIEF OF STAFF



VINCENT A. CIANCI, JR.
MAYOR

Executive Office, City of Providence

March 28, 1983

The Honorable Carolyn F. Brassil
Chairperson
City Council Finance Committee
City Clerk's Office
Providence, RI 02903

Dear Councilwoman:

You asked to be informed of the Administration's position regarding a pending ordinance that would permit the City Council to stabilize property taxes of industrial firms under certain circumstances.

As you know, state law already permits industrial and commercial firms to be granted tax stabilization. Nevertheless, we do take note that the ordinance has been strongly supported by organizations representing industrial and commercial interests in Providence. Moreover, the ordinance would establish clear procedures for applying for tax stabilization.

Accordingly, the Administration supports the measure. However, we must point out that it has always been the Administration's policy to offer tax relief to businesses only when absolutely necessary. In seeking to promote business expansion, we first offer such incentives as Urban Development Action Grants and Community Development monies, both of which utilize federal dollars. Only later do we discuss abatements or stabilization of the local property tax. This would continue to be our policy if the tax stabilization ordinance becomes law.

Sincerely,

A handwritten signature in cursive script, reading "Charles R. Mansolillo".

CHARLES R. MANSOLILLO
Chief of Staff

CRM/gc

THEODORE C. LITTLER
CITY ASSESSOR



VINCENT A. CIANCI, JR.
MAYOR

FINANCE DEPARTMENT
CITY ASSESSOR

March 25, 1983

Mrs. Carolyn F. Brassil
Chairman
Finance Committee
City Hall
Providence, Rhode Island

Dear Carolyn:

Attached is a proposed application to be used in conjunction with the "Tax Stabilization for Industrial Properties" program presently being considered by the Committee.

The application fee, which is non-refundable, is based on the value of the building permits to be obtained for the construction and/or renovations planned, and range from \$150 to \$300.

Regretfully I may be unavailable for the hearing scheduled for Monday, March 28th inasmuch as the hearing coincides with a long-standing appointment for my annual physical examination.

Very truly yours,

Theodore C. Littler
City Assessor

attachment

CITY OF PROVIDENCE, RHODE ISLAND
APPLICATION REQUESTING
TAX STABILIZATION FOR INDUSTRIAL PROPERTIES
ACCORDING TO
CHAPTER 21 OF THE CODE OF ORDINANCES AS AMENDED

PAYMENT OF NON REFUNDABLE APPLICATION FEE
MUST ACCOMPANY APPLICATION ACCORDING TO
FOLLOWING SCHEDULE

\$150.00 FOR PERMIT UP TO \$250,000
\$225.00 FOR PERMIT FROM \$251-\$750,000
\$300.00 FOR PERMIT OVER \$751,000

Date _____

1. Name & Address of Applicant _____
(If corporation/partnership,
give name & title of CEO
filing application) _____

2. Location of Property _____
Number & Street Address _____
Assessors Plat # _____ Assessors Lot # _____
3. Current Assessment _____
Land _____ Building _____
4. Date & Cost of acquisition of existing property _____
5. Cost & date of purchase of additional property to
be purchased to be included in expansion project _____
6. Estimated total cost of expansion/renovation _____

7. Description of existing facility:

# of stories	_____
# of st. ft. per floor	_____
age of building(s)	_____
type of construction	_____
interior condition	_____
exterior condition	_____

8. Application is made under the provisions of the Ordinance for the following reason(s) (please check one or more)

- _____ a. locate in the City of Providence
- _____ b. replace a section of the premises
- _____ c. reconstruct the facility
- _____ d. to expand building
- _____ e. to remodel facility
- _____ f. to construct new building(s)
- _____ g. other (explain) _____

9. Describe in detail construction to be undertaken (include information such as # of stories, type of construction, total sq. ft. planned, etc.)

10. Will the proposed construction/alteration increase the employment at your company: Yes _____ No _____

If yes, please give an estimate as to the number of jobs to be created _____

When do you anticipate new hiring to begin _____

11. Will construction/alteration require purchase of additional furniture, fixtures, equipment. Yes _____ No _____

If yes, please give an estimate as to the cost of such new purchases \$ _____

12. Construction shall begin _____ and is anticipated to be completed by _____.

13. Are alterations/construction plans permitted under the present zoning:
Yes _____ No _____

If no, please advise as to when application will be filed or has been filed with Zoning Board _____

Has hearing been scheduled _____

IT IS THE UNDERSTANDING OF THE APPLICANT(S) THAT THE EXEMPTION, IF APPROVED, IS APPLICABLE ONLY TO INDUSTRIAL CONCERNS WHO WISH TO LOCATE IN THE CITY, OR WHO WISH TO REPLACE, RECONSTRUCT, EXPAND OR REMODEL CURRENT FACILITIES: THAT THE APPLICATION IS NOT APPLICABLE TO LAND: THAT PLANS MUST MEET THE APPROVAL OF THE BUILDING INSPECTOR: THAT ALL CURRENT AND PAST TAXES DUE BY THE APPLICANT(S) MUST BE PAID IN FULL: THAT THE EXEMPTION WOULD BE ATTRIBUTABLE ONLY TO THAT PORTION OF THE ASSESSMENT ATTRIBUTABLE TO THIS CONSTRUCTION/RENOVATION: THAT THE EXEMPTION MAY BE REVOKED IN THE EVENT OF FRAUD OR MISREPRESENTATION BY THE APPLICANT(S).

Signature & Title of Applicant

Witness

Address

Date

Date

RECEIVED BY THE CITY ASSESSOR, PROVIDENCE, RHODE ISLAND

Received in the Office of City Assessor _____
date

Application fee forwarded to Collector _____
amount

Reviewed by Assessor with the following recommendation _____

REVIEWED BY THE CITY COLLECTOR, PROVIDENCE

1. All taxes of the applicant are paid in full. _____

2. Applicant owes the following:

Year _____	Amount _____
_____	_____
_____	_____

3. Arrangements have been made for the payment of the above

Yes _____ No _____

Date

Signature

REVIEWED BY THE BUILDING INSPECTOR, PROVIDENCE

1. Plans as reviewed meet with all current codes and statutes of the city

Yes _____ No _____

2. No violations exist on this or other properties owned by the applicant

Yes _____ NO _____

3. Violations exist as follows:

4. These have been discussed with the applicant(s) and arrangements have been made to correct same

Yes _____ No _____

Date

Signature